To amend the Internal Revenue Code of 1986 to reduce the tax on beer to its pre-1991 level, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MAY 26, 2011

Mr. UDALL of Colorado (for himself, Mr. CRAPO, Mr. BENNET, Mr. BURR, Mr. TESTER, Mr. VITTER, Mr. CHAMBLISS, and Mr. BLUNT) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to reduce the tax on beer to its pre-1991 level, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Brewers Excise and Economic Relief Act of 2011” or “BEER Act”.

SEC. 2. REPEAL OF 1990 TAX INCREASE ON BEER.

(a) IN GENERAL.—Paragraph (1) of section 5051(a) of the Internal Revenue Code of 1986 is amended by striking “$18” and inserting “$9”.

(b) **Effective Date.**—The amendment made by this section shall take effect on the date of the enactment of this Act.

**SEC. 3. TAX RELIEF FOR SMALL BREWERIES.**

(a) **In General.**—Subparagraph (A) of section 5051(a)(2) of the Internal Revenue Code of 1986 is amended—

(1) by striking “$7” in the heading and inserting “$3.50”, and

(2) by striking “$7” in the text and inserting “$3.50”.

(b) **Effective Date.**—The amendments made by this section shall take effect on the date of the enactment of this Act.